



INSIDE

SAN JOSE

A CITY OF SAN JOSE PUBLICATION
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It was Hot, It was Cool, It was GP3!

San Jose's Third Annual Grand Prix Brings in the Race Fans

It was hot and we don't mean just the weather - seventeen cars hairpinning around downtown San José at speeds up to 240 miles an hour.

It was cool - Paul Newman and Bobby Rahal racing go-karts, the streets of San José in a new racing video game, how cool is that!

It was GP3 - The Third Annual San José Grand Prix tore up the town and brought in the fans.

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Home Grown Excellence

New City Manager Debra Figone Takes Command

Debra Figone, San José native, 20+ year career public administrator with the City of San José and former Los Gatos Town Manager officially took charge as San José's 15th City Manager in July. Figone, whose Valley roots are deeper than the cherry orchards and whose determination is higher than the latest downtown high-rise, began her service to San José as a Parks and Recreation leader. She worked her way through some of the most difficult roles in city government, including Assistant City Manager, Director of General Services (the first woman in that post) and Acting Emergency Services Director. Rather than spending her time reflecting on how things were done in the past, she's heading full speed ahead to the future.

"My love for San José as my hometown and my vision for San José as an international city go

hand in hand. I am committed to moving this city forward," said Figone.

For two-time retired City Manager, Les White, Figone was definitely the right captain for the job. "Debra, in part, is responsible for the excellent level of service and commitment that is standard in this city. I know I leave it in good hands," said White. For the residents and employees of the City of San José, home grown is best. You can contact the City Manager at citymanager@sanjoseca.gov or call 408.535.8100.

UP AHEAD

- **San José Comcast Jazz Fest**
August 10 - 12
- **Zero One 'Lighting of the Rotunda'**
September 9
- **Mariachi Festival**
September 26 - 30
- **Rock 'n Roll Half Marathon**
October 14

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The Mission of the City of San José is to provide quality public services, facilities and opportunities that create, sustain and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors.





SAN JOSE Cares

Fast-tracking Affordable Housing

The City Receives Nearly \$2 million in Housing Funds

San José continues to lead the State in creating affordable housing opportunities, albeit homeownership or developing affordable housing rental units. In one of the most expensive places to live in the country, buying a home is still a dream for most Bay Area residents. The City wants the dream to become a reality for anyone, including low-income residents. San José has recently received nearly \$2 million in funds to supply affordable housing to qualified residents.

CalHOME – The City was awarded \$1,000,000 to fund owner-occupied rehabilitation and to assist low-income first-time homebuyers. **Neighborhood Housing Services Silicon Valley (NHSSV)**, a City partner, was awarded \$1,000,000 to assist low-income, first-time homebuyers throughout the county.

Multifamily Housing Program – First Community Housing, a developer City partner, was awarded \$8,789,846 for the new construction of the Fourth Street Apartments (located on Fourth Street north of Gish).

Workforce Housing Reward Program – The City was awarded \$770,223 in funds to be used for a Strong Neighborhood Initiative Mobile-home Demonstration Project, Permanent Supportive Housing Grants, and improvements to the Blackford Neighborhood.

Whether residents are looking to rent or to buy their dream home, the City has a way to help. For information on affordable housing, visit our website at www.sjhousing.org or call 408.535.3860. For information on becoming a homebuyer, contact NHSSV 408.279.2600.

Getting the Ball Rolling - Faster

City Streamlines Charitable Funding Process

In the world of Non-Profits, bridge loans and missed funding deadlines are a way of life. For charities receiving funds from City of San José that part of the world has changed for the better. For the City's Healthy Neighborhood Venture Fund (HNVF) program, the City has streamlined the grant-funding process, added full-time staff to manage the workload and even brought in additional contract workers to pitch-in at deadline time. San José has also increased shared accountability by committing to perform two program site visits annually.

These grant funds, the result of tobacco company settlements, provide much-needed community services such as after school programs for youth, nutrition programs for seniors, and tobacco prevention and education programs for San José residents. The next step in the streamlining process is developing a master grant database and that particular ball is already in motion. For more information contact HNVF@sanjoseca.gov or call 408.535-3570.

SAN JOSE Innovates

Virtual Architects

San José Wins “Blue Ribbon” for 3D Buildings in Google Earth

San José is now “on the map,” – the Google Earth map, a virtual globe that depicts aerial photos and 3D terrain relief of the entire world. The City’s Planning Division has been working with Google and interested people from around the world to render San José’s buildings in 3D, overlaid with amazing photo-texturing. San José’s initial efforts have won Google’s “Blue Ribbon” award and drawn interest from a builder from as far away as the United Kingdom. He used photos from the Planning Divisions’ Picasa site, <http://picasaweb.google.com/SJPlanning>, to photo-texture the San Jose Marriott Hotel.

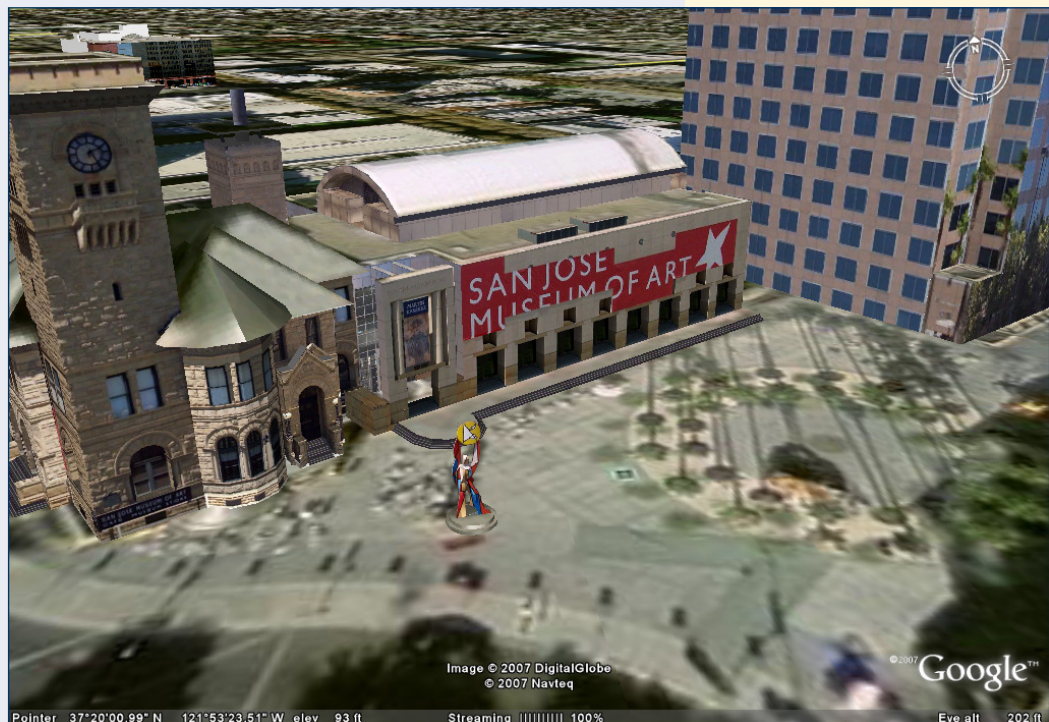
This cutting edge technology is taking hold worldwide as cities race to have their skylines built on the Web, literally creating a visual fly-over for everything from tourism to envisioning future development. Planning GIS staff created “building shells” to scale for all buildings downtown. Now, the buildings can be covered with photographs to achieve a realistic image.

San José also helped launch a new section of Google Earth’s site, Help Model a City. The new site solicits other virtual builders to create the photo-realistic buildings. Want to get involved and help us build San José?

Here’s how:

- View our City’s building shells in City of San José section in Google’s 3D Warehouse
- Take some pictures of your favorite building
- Add them to our models
- Upload them to the 3D Warehouse

The City’s Picasa web page has pictures of select buildings downtown that you can use to add to our 3D building shells. For more information about how to help create photo-textured 3D buildings for San José, contact greg.rose@sanjoseca.gov or call 408. 535.7905.



SAN JOSE Soars

Flying High

Positive Ratings for Airport's Bonds

The Norman Y. Mineta San José International Airport (SJC) bond item scheduled to come before Council on August 14 has received positive ratings from the three principal ratings services, all affirming previous rating levels. This is good news for the financing of SJC's overall capital program to improve the Airport over the next three years. Standard & Poor's Ratings Services assigned its 'A' rating to the approximately \$775 million series 2007A and B revenue bonds and \$50 million series 2007C revenue refunding bonds, and affirmed its 'A' rating on the Airport's \$485 million senior revenue bonds. Fitch Ratings also has assigned an underlying 'A+' rating for the issuance, and Moody's Investors Service has affirmed its rating of A2. Both S&P and

Moody's gave a stable outlook for the proposed bonds, while Fitch revised its outlook from stable to negative based on concerns about the near-term volatility of airport's projected levels of passenger enplanements. Fitch's rating, however, is a step above the other two ratings.

The positive ratings by all three services reflect the Airport's solid market and service area and historic low cost structure, as well as the expectation that City and Airport management will continue to prudently manage the modernization and growth of the Airport while maintaining a competitive cost structure. For more information contact dvossbrink@sjc.org or call 408.501.7656.

Many Happy Returns

Governor Signs City-Sponsored Legislation

On July 12, Governor Schwarzenegger signed SB 641, the City-sponsored legislation relating to rental vehicle agreements at the Airport that was overwhelmingly passed by the Legislature this spring. This legislation is important to the City's ability to build and finance a consolidated rental car garage at the Airport. By conforming San José with state law governing other airports, it will allow the City to collect customer facility charges on rental car transactions three years sooner and five years longer, which in turn will support more beneficial financing terms for the garage. The legislation was critical in reaching a funding agreement with all eight of the rental car companies at the Airport. That will result in a much more convenient rental car facility for Airport customers. The Airport currently experiences 900,000 rental car transactions a year. The bill becomes effective January 1, 2008. For more information contact dvossbrink@sjc.org or call 408.501.7656.



SAN JOSE Invests

Some Things You Just Can't Buy

Another Achievement of Excellence for Finance Department

Well, the trophy case is getting a little crowded. The City's Finance Department has garnered yet another national award. The Department's Purchasing Division earned the 2007 Achievement of Excellence in Procurement (AEP) Award. Purchasing was recognized for its continuous efforts to use technology, for the changes to the Procurement Card Program, and its commitment to Environmentally Preferable Procurement, among others.

City staff has a never-ending commitment to assuring the procurement practices are open, competitive and in compliance with appropriate internal controls and best practices in municipal procurement standards. Purchasing staff will accept the award at the 62nd Annual Forum for the National Institute of Governmental Purchasing in Hartford, CT--after they purchase a bigger trophy case. For more information contact walter.rossmann@sanjoseca.gov or call 408.535.7051.

Thank You for Sharing

Management Talent Exchange Program Gives Public Employees a Chance to Share Their Talents

If you hear a distant rumbling, it's not the construction at the Airport. It's the sound of up to one half of public agency employees stampeding toward the retirement door! To avoid being left in the dust, the City of San José has partnered for a second year in the Management Talent Exchange Program (MTEP). This regional effort is affiliated with Cal-ICMA's "Preparing the Next Generation Committee" for Santa Clara and San Mateo counties. MTEP has become a widely popular program in addressing the "retirement crisis" facing public agencies. MTEP provides jurisdictions with fresh ideas from other agencies as well as a much-needed training answer to an already lean workforce. The program has enabled local municipal employees to work across jurisdictions, sharing knowledge and gaining leadership experience. It gives public employees opportunities to diversify their career portfolios, develop new competencies and experiences. This fall, three City employees will participate in the three-month rotation on assignments at various host jurisdictions; the City of San José will host five exchange participants. For more information, please contact Human Resources at 408.535.1285 or visit <http://www.cityofpaloalto.org/mtep>.

It was Hot, It was Cool, It was GP3 *continued*



“We are coming back,” Grand Prix President Dale Jantzen said. “And we are excited.”

The third annual San José Grand Prix brought world-class Champ Car racing to the streets of Downtown San José, July 27, 28 and 29. It included a fun multi-faceted urban festival with a race, concerts, exhibits, interactive displays and vendors. For the three days of the race San José was showcased to the world as a global gateway, a diverse and creative community and as the world’s most livable big city through media coverage and television broadcasts throughout the U.S. and to



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more than 170 countries. San José also received attention by thousands of racing fans who visited the Downtown Core.



The California Theatre became “The Green Room” where the City dedicated space to “green” and/or “clean” tech movement, furthering San José’s position as a center for this wave of innovation. Displays—from a combination of public and private sector entities—showcased technologies and programs developed by San José-based

It was Hot, It was Cool, It was GP3 *continued*

Fat Spaniel, Ahwahnee Technologies, Mobile Energy Solutions, the Electric Transportation Development Cluster and the Environmental Business Cluster. The space was also utilized to highlight Downtown development and included developers of current residential high-rise projects. Other exhibitors included the San José Redevelopment Agency and various City departments promoting clean and green programs and events, and current project updates.

As in prior years, the primary beneficiary of the event is the Canary Foundation, a non-profit corporation dedicated to early cancer detection. The Grand Prix presented a check for \$1.3 million to the Canary Foundation as part of Sunday ceremonial activities. San José's community partners connected to the event in many ways, including Grand Prix tours for the San José Police Activities League youth and contracts with San José Conservation Corps to provide recycling and general area maintenance services for the event.

The attendance and economic impact information are expected later this year. The energy and excitement impact was apparent for the world to see. For information on the San José Grand Prix contact steven.brewster@sanjoseca.gov or call 408.535.8168.



SAN JOSE **Invests** *continued*

Growing Local

San José's New Economic Development Catalyst Program Strikes Again!

Everyone is encouraged to grow local and eat local, now we're investing local. After the initial success with BenteK Manufacturing, the City's seven-month old Economic Development Catalyst Program (EDCP) embarked on its second venture. Teaming with Pacific Community Ventures again, EDCF invested in Mercados Suvianda, a new company that anticipates employing 200 workers at two supermarkets in San José with plans for expansion.

Four months ago, the City shifted from loans and grants to local companies model to an investment

model that brings the disciplines and rigors of venture capitalism to a business. This model also requires a financial return as well as a social return in terms of expanded employment, good wages and benefits. These investments are meant to produce a "double bottom line" of social and financial gains.

The Economic Development Catalyst Fund is fundamentally about making things happen in the economy that would not otherwise happen. Investing local grows the future. For more information contact steven.brewster@sanjoseca.gov or call 408.535.8168.

SAN JOSE **Prepares**

An Extra Helping

Office of Emergency Services to Share in Preparedness Grant

These days it's rare to hear of an agency actually gaining funds instead of losing funds. However, for the City's Office of Emergency Services (OES) that's not the case. OES, as part of the Bay Area Super Urban Security Initiative (SUASI), will share a grant designed to increase preparedness. SUASI participants will receive approximately \$27 million of the \$34 million total award for the 2007 Homeland Security Grant Program. Projects planned for

funding are regional in nature, instead of specific to any one jurisdiction. The funds will be used to address projects such as "interoperable communications," "citizen preparedness," and "medical surge." SUASI has been focusing on these projects for the past year and are well prepared to receive the funds. For more information contact alan.anderson@sanjoseca.gov or call 408.277.4444.

SAN JOSE

Conserves

Now That's Organic

It's Integrated Pest Management, No Kidding!

Taking free ranging to a whole new level in July, several hundred goats roamed the hillsides around one of the City's Reservoir recycled water sites. These grazing goats are just one of the City's new integrated pest management (IPM) pilot projects, led by the Urban Runoff Group of the Environmental Services Department (ESD). Goats crop the dry grass and seeds without the use of herbicides, which have the potential to pollute our urban creeks and the bay. These grass-powered eating machines are not only beneficial to the environment, but they also significantly reduced the risk of fire hazard in drought-dried landscape. They also return – umm – nutrients – to the depleted soil. And, according to ESD employees, the goats are fun to watch!

ESD and its IPM partner departments, PRNS and DOT, are also working to “employ” bats and barn owls to control pests without the use of toxic pesticides. Bat boxes have been installed in select Community

Gardens to help control mosquitoes, gnats, and other pesky insects. Owl boxes have been installed in several City parks to help control gophers and other rodents.

So far, response to the City's new IPM projects have been overwhelmingly positive, and ESD hopes that the City will continue to be a leader in the use of non-toxic, reduced-risk pest and weed control. However, the City has no plans as yet to recruit a goatherd. For more information on how you can help manage pests while protecting our environment, go to: <http://www.sanjoseca.gov/esd/stormwater/pesticides.asp> or 408.975.2575.



SAN JOSE

Cares

Continued

Walking the Talk

San José Makes Top-Five List in Volunteerism.

California is commonly known for its commitment to community service but what cities do more walking than talking? San José comes in a brisk third. The Silicon Valley Business Journal reports San José has the third-highest volunteer rate in the state and 32nd in the country. The Corporation for National and Community Service study shows San José has a state volunteer rate of 27.4, topped only by San Francisco (29.6%) and San Diego (29.2%).

The study was based on data collected by the U.S. Census Bureau and the Bureau of Labor Statistics and presents volunteer rates and hours from the past three years.

The data also shows that suburban and rural areas have higher rates of volunteerism than our urban neighbors. Interestingly enough; communities with higher home ownership rates tend to have higher volunteer rates and communities with longer commute times tend to have lower rates.

SAN JOSE Builds

ZiLOG Relocates Headquarters to Edenvale

City of San José Welcomes Hi-Tech Pioneers

ZiLOG Inc., co-inventor of the world's first microprocessor, previously located at 532 Race Street, is relocating its headquarters to Edenvale Technology Park in South San José. ZiLOG's decision to remain in San José was due in part to the San José Redevelopment Agency's effort to support their interest in relocating to Edenvale. The San José Redevelopment Agency has invested more than \$90 million in Edenvale infrastructure improvements to pave the way for companies like ZiLOG to reside in San José.

Since 1977, the Redevelopment Agency has invested

more than \$430 million in infrastructure that supports San José's innovative business community. San José's five industrial redevelopment areas-- Edenvale, Rincon de los Esteros, Monterey Corridor, Julian-Stockton, and Olinder--are the engine of the city's economy, home to over 2,200 companies with more than 77,000 employees. The Agency's investments in these areas, as well as its support of San José's business incubator program, have spurred economic development and helped make San José the world's center of innovation. For more information contact Sjraworks@sanjoseca.gov or call 408.795.1807.

SAN JOSE Conserves **Fleets of Green**

Green Fleets Conference Spreading the Word

In July, the City of San José's Environmental Services Department (ESD) continued to spread the word—and the word is Green. The Silicon Valley Clean Cities Coalition (SVCCC) Green Fleets Conference, spearheaded by our own ESD, filled the West Valley College Board Room with nearly 60 attendees for a very specialized subject—increasing the use of green vehicles in public agency fleets. The goal of the conference was to strengthen the coalition of Silicon Valley fleet managers by:

- Enabling them to increase their alternative vehicle fleets
- Make contacts with alternative fuel and vehicle providers
- Learn from other successful fleet managers

Attendees also brainstormed what was needed to

advance green fleets. The information generated will be used by SVCCC to:

- Plan future events
- Provide resources
- Information for fleet operators
- Advance the use of alternative fuels
- Reduce emissions
- Improve air quality

Panel speakers came from the City of San José's Environmental Services Department, American Honda Motor Company, as well as other public agencies and private companies. As San José rapidly becomes the leader of the Green Cities movement we'll look for every opportunity to spread the green. For more information contact arleen.arimura@sanjoseca.gov or call 408.535.2557.



SAN JOSE Rocks

Earthquakes to Hit Silicon Valley Major League Soccer returns to San José

Major League Soccer returns to San José

The San Jose Earthquakes, a professional soccer team whose storied past includes 2001 and 2003 MLS Cup titles and the league's best regular season record in 2005, will return to Silicon Valley. Major League Soccer has reactivated the franchise, under new ownership, for the 2008 season and the City of San José is working toward a brand new soccer stadium.

Due to stadium complications, San Jose had lost its team to Houston in 2005 but new with a new soccer-specific stadium a distinct possibility the 'Quakes will be shaking up the Bay Area in 2008. Earlier this summer the public, dressed in blue & white jerseys, filled the City Council chambers to show their support for the stadium and the return of the team. Looks like it's definitely a goooooaaallllll! For more information go to www.sjearthquakes.com.

SAN JOSE Rocks

Pitching Shoes

Horseshoe Court Complex Gearing up for Grand Opening

Now for a complete change of pace... construction on the new Horseshoe Court Complex at Columbus Park, corner of Taylor and Walnut, is doing well and the project is currently about 75% complete. The grand opening is tentatively scheduled for the end of August. The City wanted to keep the horseshoe-ing crowd up to date but we found out they have been visiting the site almost everyday. So they updated us instead. The local horseshoe community, which happens to contain a national champion or two, is well pleased the project and after a decade waiting, eagerly looking forward to the grand-opening. For more information contact simeon.mercado@sanjoseca.gov or call 408.793.5526.

CITY NEWS

SAN JOSE Rocks

San José Named Host City For 2008 Amgen Tour of California

World-Class Cycling Field Returns in February for 700-Mile, Eight-Day Stage Race

San José will return as a host city of the Amgen Tour of California, Wednesday, February 20, 2008, the third running of America's most important cycling event, as announced by race organizer AEG. The City of San José has hosted the Amgen Tour of California with great success since the race's inception in 2006.

than 1.6 million spectators, setting records for a single sporting event in the state of California, as well as any cycling event ever held on U.S. soil. The race also has generated \$100 million in economic growth for the state each year.

**Cycle-delicious, It's clean, it's green, it's exciting
- but that's how we roll.**

The 2008 Amgen Tour of California professional cycling road race will take place February 17-24, 2008 across many of California's most scenic state highways, roadways and coastline drives. The event's third running will cover more than 700 miles, a 50-mile increase from 2007, over the eight days. In just two years, the Amgen Tour of California has become the most successful race in the United States, both in attendance and economic growth. The 2007 race brought more

In San José, the race had a direct economic impact benefit. Earlier this year, the event brought in more than 40,000 people to San José and contributed an estimated \$1.9 million to the San José economy. For more information contact steven.brewster@sanjoseca.gov or call 408.535-8138.

Do You Think It's The Outfits?

Webcor Signs on as First Major Sponsor for Inaugural May '08 Cycling Event

Whether it's the roadways or the outfits, San José loves cycling and cycling loves San José. And a new cycling event has just been added to the roster, the San José Classic Road Criterium. The Criterium is one of the four major components of the San José Classic, a three-day domestic professional, amateur and community cycling event to be held May 16 - 18, 2008 and produced by the City of San José. It will include more than 400 amateur and domestic professional riders and take place 8 a.m. to 6 p.m., Saturday, May 17, 2008, on a 2-mile closed-circuit course with a start and finish in Downtown San José.

The San José Classic will be staged throughout San José and span an entire weekend. It will include domestic professional and amateur road cycling, mountain biking/BMX competitions as well as community cycling and health exhibitions. The Classic will also include a two-evening street fair in downtown San José with heavy involvement from local restaurants and nightspots. The event is expected to attract more than 2,000 cycling athletes, 25,000 spectators and 50 cycling-related exhibitors.

For more information about the San José Classic or sponsorship opportunities, please contact tricia.kerkhof@sanjoseca.gov or 408-277-5144x33.

Did You Know?

San José has a long cycling history:

- The City's first bicycle club was formed in 1884
- One of the first pedal bicycles was invented here
- We have 10 established international bike manufactures in the area.
- San José has more than 38,000 bike commuters traveling on more than 150-miles of on-street bikeways.
- The City of San José has one out of only 19 velodromes in the country.